BEFORE THE STATE OF CALIFORNIA OCCUPATIONAL SAFETY AND HEALTH APPEALS BOARD

In the Matter of the Appeal of:

Inspection No.

1465119

SUN BELT RENTALS 3860 SHERMAN STREET SAN DIEGO, CA 92110

DECISION

Employer

Statement of the Case

Sun Belt Rentals (Employer) provides equipment for rent. On February 25, 2020, the Division of Occupational Safety and Health (the Division), through Associate Safety Engineer Bahman Nahoray, commenced an accident investigation of a work site located at 18251 West Napa Street in Northridge, California.

On July 10, 2020, the Division cited Employer for two violations of California Code of Regulations, title 8, alleging: failure to provide training and instruction; and operating machinery under conditions of speeds, stresses, loads, or environmental conditions that are contrary to the manufacturer's recommendations.

Employer filed timely appeals of the citations. For both citations, Employer contested the existence of the violations, the classifications of the citations, and the reasonableness of the penalties. Additionally, Employer asserted a series of affirmative defenses to each citation.¹

This matter was heard by Mario L. Grimm, Administrative Law Judge (ALJ) for the Occupational Safety and Health Appeals Board. On August 25 and 26, 2022, ALJ Grimm conducted the hearing from West Covina, California, with the parties and witnesses appearing remotely via the Zoom video platform. Steven P. Alvarado and Travis Vance, attorneys with Fisher & Phillips, LLP, represented Employer. Keith C. Mackenzie, Staff Counsel, represented the Division. The matter was submitted on June 27, 2023.

¹ Except where discussed in this Decision, Employer did not present evidence in support of its affirmative defenses, and said defenses are therefore deemed waived. (*RNR Construction, Inc.*, Cal/OSHA App. 1092600, Denial of Petition for Reconsideration (May 26, 2017).)

Issues

- 1. Did Employer provide effective training on the hazards of the pressure washer?
- 2. Did Employer operate the pressure washer under conditions that were contrary to the manufacturer's recommendations?
- 3. Did Employer prove the Independent Employee Action Defense?
- 4. Did ineffective training on the pressure washer have a relationship to occupational safety and health of employees?
- 5. Did operation of the pressure washer after the appearance of white smoke create a realistic possibility of serious physical harm?
- 6. Did Employer rebut the presumption that Citation 2 is a Serious violation?
- 7. Are the proposed penalties calculated in accordance with the penalty-setting regulations?

Findings of Fact

- 1. Employer instructed Mechanic Louis Reyes (Reyes) to read the operator's manual for the pressure washer.
- 2. Reyes was inspecting a pressure washer when it began to produce white smoke. Reyes did not turn off the pressure washer. Reyes towed the pressure washer out of the garage bay.
- 3. Once the pressure washer was outside, steam pressure caused the heating coil pipe to burst.
- 4. Shrapnel from the pressure washer struck Reyes. Reyes suffered burns, bruises, and lacerations. Reyes was taken to a hospital due to his injuries.
- Failure to follow the manufacturer's recommendation to cease operation when white smoke appears creates a realistic possibility of death or serious physical harm.
- 6. Employer requested the expertise of the pressure washer manufacturer in investigating the root cause and contributing factors of the explosion.

7. Reves did not violate Employer's procedures.

Analysis

1. Did Employer provide effective training on the hazards of the pressure washer?

The Division cited Employer for a violation of California Code of Regulations, title 8, section 3203, subdivision (a)(7),² which provides in relevant part:

Effective July 1, 1991, every employer shall establish, implement and maintain an effective Injury and Illness Prevention Program (Program). The Program shall be in writing and, shall, at a minimum:

- (7) Provide training and instruction:
 - (A) When the program is first established;
 - [...]
 - (B) To all new employees;
 - (C) To all employees given new job assignments for which training has not previously been received;
 - (D) Whenever new substances, processes, procedures or equipment are introduced to the workplace and represent a new hazard;
 - (E) Whenever the employer is made aware of a new or previously unrecognized hazard; and,
 - (F) For supervisors to familiarize themselves with the safety and health hazards to which employees under their immediate direction and control may be exposed.

Citation 1 alleges:

Prior to and during the course of the investigation, including, but not limited to, February 25, 2020, the employer did not provide effective training and instructions to the employee. Specifically to turn off the engine or burner switch when he observed the smoke coming out of the Shark Pressure Washer.

The Division has the burden of proving a violation, including the applicability of the cited safety orders, by a preponderance of the evidence. (*Howard J. White, Inc.*, Cal/OSHA App. 78-741, Decision After Reconsideration (June 16, 1983).) "Preponderance of the evidence" is

² Unless otherwise specified, all references are to sections of California Code of Regulations, title 8.

usually defined in terms of probability of truth, or of evidence that when weighted with that opposed to it, has more convincing force and greater probability of truth with consideration of both direct and circumstantial evidence and all reasonable inferences to be drawn from both kinds of evidence. (*Nolte Sheet Metal, Inc.*, Cal/OSHA App. 14-2777, Decision After Reconsideration (Oct. 7, 2016).)

The Appeals Board has established that the purpose of section 3203, subdivision (a)(7), is "to provide employees with the knowledge and ability to recognize and avoid the hazards they may be exposed to . . ." (*Hill Crane Service, Inc.*, Cal/OSHA App. 12-2475, Decision After Reconsideration (Dec. 23, 2013).) The occurrence of an accident, by itself, is not sufficient proof that an employer's overall training program is deficient. (*Michigan-California Lumber Company*, Cal/OSHA App 91-759, Decision After Reconsideration (May 20, 1993).)

Employer provides various equipment for rent. According to Reyes, his branch provided three different brands of pressure washers. Reyes also noted that his branch received equipment that customers had rented from other branches.

With respect to his training on the Shark pressure washer, Reyes testified that Employer instructed him to read the operator's manual for the Shark pressure washer and that he did so. The operator's manual is 29 pages long. (Ex. 10.) It contains safety information in addition to operating information that is not safety-related. The manual repeatedly states that the operator must know how to stop the machine quickly. (Ex. 10, p. 11 (Bates label SB00116).)

Employer also provided online training courses throughout Reyes's employment. Reyes testified the training courses did not relate solely to pressure washers, but that some courses covered topics applicable to pressure washers. The evidence does not indicate the training courses addressed the hazard of white smoke appearing from the Shark pressure washer. Exhibit J is a list of online training courses taken by Reyes.

On January 10, 2020, Reyes was inspecting a Shark pressure washer that had been returned by a customer. Reyes testified that he started the pressure washer in a garage bay. The pressure washer began to produce smoke, which was not unusual according to Reyes. As discussed below in the context of Citation 2, the smoke was white in color. The operator's manual states to discontinue use of the pressure washer if white smoke appears. Reyes became concerned about the high volume of smoke produced by the pressure washer, but not the color of the smoke. He used a forklift to tow the pressure washer out of the garage bay. Once the pressure washer was outside of the garage bay, Reyes observed that the temperature of the pressure washer was rising quickly. Reyes decided to turn off the pressure washer but it exploded before he could do so. Shrapnel from the pressure washer struck Reyes. Reyes suffered burns, bruises,

and a torn upper lip. (Ex. 8, p. 6.) He was taken to a hospital for treatment of his injuries. (Ex. 11, p. 2.)

The fact that Reyes did not view the color of the smoke as a hazard indicates that he did not have the knowledge and ability to recognize and avoid the hazards he was exposed to. Importantly, Reyes's testimony indicates he sometimes needed a practical element in addition to reading the operator's manual:

- Q. So how do you adjust the air?
- A. At the time I wasn't how can I put it in words? At that time I wasn't familiar with that for the reason that I never got to that problem. I never had to deal with that before.
- Q. But you had read the manual before, correct?
- A. Correct, correct.

(Tr. vol. 1, at 90:7-13.) This testimony is consistent with evidence of the amount of information and variety of equipment Reyes needed to understand. With 29 pages of information, the operator's manual could be difficult for any person to read and understand. Additionally, the pressure washer was not the only machine Reyes worked with. It was not the only brand of pressure washer that he worked with.

Moreover, the evidence does not indicate Employer had grounds to believe it had provided effective training. Employer did not test Reyes's knowledge and ability to recognize and avoid the hazards of the pressure washer. It appears that Employer assumed Reyes understood the safety information. Also, Branch Manager Shawn McCutcheon (McCutcheon) testified that Reyes did nothing wrong in handling the incident.

In sum, the operator's manual and the online courses did not enable Reyes to recognize the color of the smoke as a hazard. This was especially important because white smoke is one of the circumstances for which the operator's manual instructs the operator to turn off the pressure washer. (Ex. 10, p. 22 (internal pagination SB00127).) Thus, Employer did not provide effective training on the pressure washer. Accordingly, the Division proved a violation of section 3203, subdivision (a)(7).

2. Did Employer operate the pressure washer under conditions that were contrary to the manufacturer's recommendations?

The Division cited Employer for a violation of section 3328, subdivision (a)(2), which provides:

- (a) All machinery and equipment:
- [...]
- (2) shall not be used or operated under conditions of speeds, stresses, loads, or environmental conditions that are contrary to the manufacturer's recommendations or, where such recommendations are not available, the engineered design.

Citation 2 alleges:

Prior to and during the course of the investigation, including but not limited to, January 10, 2020, the employer did not ensure that employees operated a Shark Pressure Washer (Model: SSG 503537E/G, Serial-no.: 100161, Part-no.: 1.103-828.0) in accordance with the manufacturer's instructions, specifically, not allowing the Shark Pressure Washer to run after it was smoking during preliminary inspections.

The Division alleges that Employer violated the cited safety order by operating the pressure washer contrary to the following recommendation: "CAUTION: If white smoke appears from burner exhaust vent during start-up or operation discontinue use and readjust air bands." (Ex. 10, p. 22 (internal pagination SB00127).)

A. Accident Investigation Report

Exhibit 11 is an investigation report completed after the accident. Its admissibility and weight is significant because it contains evidence that conflicts with Reyes's testimony. At hearing, Employer objected to the admission of Exhibit 11 on grounds of hearsay and several others, arguing that the evidence is not reliable because it is confusing, misleading, irrelevant, and prejudicial. Both parties, at times, refer to Exhibit 11 as "the manufacturer's report."

Under the Appeals Board's rules, hearsay evidence may be used for the purpose of supplementing or explaining other evidence but is not sufficient in itself to support a finding of fact unless it would be admissible over objection in civil actions. (§ 376.2.)

The California Evidence Code recognizes multiple exceptions to the hearsay rule. Evidence Code section 1220 states: "Evidence of a statement is not made inadmissible by the hearsay rule when offered against the declarant in an action to which he is a party" Evidence Code section 1221 states: "Evidence of a statement offered against a party is not made inadmissible by the hearsay rule if the statement is one of which the party, with knowledge of the content thereof, has by words or other conduct manifested his adoption or his belief in its truth."

As part of its Injury and Illness Prevention Program (IIPP), an employer is required to investigate occupational injuries and illnesses. (§ 3203(a)(5).) Employer's IIPP states that Employer will investigate all "incidents or near misses which result in . . . harm to persons" (Ex. 28, p. 8.)

Employer contacted the manufacturer of the pressure washer ten days after Reyes's accident. (Ex. 11, p. 1.) Employer indicated it was conducting an investigation and needed the manufacturer's assistance ". . . in determining the cause of the explosion." Employer stated that the manufacturer's expertise "would assist us in getting to the root cause – and any contributing factors in a timely manner." The bulk of the exhibit contains photographs, information, and analysis of the accident. The exhibit states that the pictures were provided by Employer.

The Division requested a copy of Employer's accident investigation report. (Ex. 27.) Employer produced Exhibit 11. (Tr. vol. 1, at 178:9-19.)

The weight of the evidence indicates Employer intended Exhibit 11 to be its accident investigation report. Employer initiated an accident investigation pursuant to its legal duty and its IIPP. Employer can enlist experts in its investigation, and Employer here enlisted the pressure washer manufacturer. Subsequently, Employer produced Exhibit 11 after the Division requested its accident investigation report. Importantly, no evidence indicates that Employer performed a separate investigation or analysis. No evidence indicates that Employer arrived at conclusions other than those contained in Exhibit 11. No evidence indicates that Employer believed important information was omitted from the accident investigation of Exhibit 11. Therefore, it is found that Exhibit 11 is Employer's accident investigation report as opposed to simply a report by the non-party manufacturer.

The nature of Exhibit 11 affects its reliability and the hearsay determination. Because Exhibit 11 is Employer's accident investigation report, it is a statement by Employer. As a statement by Employer, Exhibit 11 is not made inadmissible by the hearsay rule. Because Exhibit 11 would be admissible over a hearsay objection in a civil action, it is sufficient in itself to support a finding of fact. (§ 376.2.)

B. Smoke from the pressure washer

The next question is whether the smoke emanating from the pressure washer was white since the manufacturer's recommendation refers to white smoke. The accident investigation report states: "When [Reyes] started up this pressure washer to clean the inside of the garage he mentioned there was white smoke." (Ex. 11, p. 6.) However, Reyes testified at hearing that the smoke was not white:

OSHAB 600 (Rev. 5/17) **DECISION** 7

- Q. Was the smoke that was emanating from the machine while it was still in the bay, was that smoke white?
- A. No. It was black, I believe.
- Q. Do you recall, or you're not sure?
- A. I know it wasn't white, but at the time I couldn't tell.

(Tr. vol. 1, at 88:24-89:5.) At the time of this testimony, Reyes was viewing the manufacturer's recommendation that states to discontinue use if white smoke appears.

More weight is given to the accident investigation report than to Reyes's testimony on the question of the color of the smoke. The report is specific in that it states Reyes saw white smoke, did not turn off the pressure washer, and towed the pressure washer from the garage due to the volume of smoke. Additionally, the report shows that diesel fuel had accumulated in the pressure washer and explains that the diesel fuel produces white smoke. Although Employer objected to the admission of the report, it did not challenge specific premises or conclusions within the report. There is no evidence that Employer contested the report's premises or conclusions at the time of its issuance.

With regard to Reyes's testimony, he could not remember the color of the smoke. Although he testified the smoke was not white, that statement is given less weight because he made it while looking at the instruction to discontinue use of the pressure washer, which he did not do at the time of the accident. Additionally, the accident investigation report was created closer in time to the accident than Reyes's testimony at hearing. Thus, it is found that the smoke emanating from the pressure washer was white in color.

C. Condition of stress

The Appeals Board has defined "stress" as "force acting across a unit area in a solid material resisting the separation, compacting, or sliding that tends to be induced by external forces." (*The Herrick Corporation*, Cal/OSHA App. 99-787, Decision After Reconsideration (Dec. 18, 2001).)

The accident investigation report explains how the pressure washer produced white smoke and exploded. Diesel fuel had pooled in the bottom wrap of the combustion chamber and saturated the insulation. (Ex. 11, pp. 3-4.) Vapor from the diesel saturation "ignited and continued to burn." This heated the water inside the heating coil, reaching over 400 degrees Fahrenheit. (*Ibid.*) Thermal expansion of water particles inside the heating coil caused steam pressure. The rising steam pressure forced the heating coil pipe to burst. (*Id.* at 3-4.) This broke a weld on the pressure washer, which shattered the aluminum housing and projected shrapnel that

struck Reyes. (*Id.* at 3.) Therefore, the condition of stress is the force of the steam pressure inside the coil pipe, which resisted separating, but ultimately burst as a result of the force.

Employer contends the cited manufacturer's recommendation applies only to the performance of air adjustments, which Reyes was not performing at the time of the accident. Employer bases this argument on the location of the cited recommendation, which appears in a section with the header "Air Adjustment." However, multiple factors weigh against this interpretation of the recommendation. First, the plain language of the recommendation is broad. By referring to the time periods of start-up and operation, the recommendation refers to the entirety of the time that the pressure washer is running. Second, the recommendation is followed by a Spanish-language version of the warning. This is the only recommendation in the manual that appears in a second language, which indicates it is a critical warning. Third, the accident investigation report indicates the pressure washer should have been turned off when white smoke appeared. Therefore, the manufacturer's recommendation was applicable to the circumstances at issue here.

Employer argues that the violation was not foreseeable because Reyes and McCutcheon had never heard of a pressure washer exploding. However, the operator's manual explicitly states that explosions are a hazard. It repeatedly states that an operator must be able to quickly turn off the pressure washer. Most importantly, the operator's manual states with specificity to discontinue use of the pressure washer if white smoke appears. Since Employer did not heed this warning, it should not be excused on the basis of not having heard of a pressure washer exploding. Therefore, the violation was foreseeable.

Additionally, Employer asserts that a product defect led to Reyes's accident. The accident investigation report notes that a "rupture disc" should have ruptured as a safety device prior to the rupture of the heating coil pipe. However, the report does not state that the rupture disc malfunctioned or was defective. The report states that debris was present inside the rupture disc which might have blocked the rupture disc from rupturing. (Ex. 11, pp. 4-6.) Importantly, the manufacturer's recommendations repeatedly address maintenance of pressure "unloader valves" and "relief valves." In light of the debris found inside the rupture disc, the evidence does not imply the rupture disc was defective as opposed to in need of regular maintenance or service.

In sum, Employer did not discontinue use of the pressure washer when white smoke appeared during start-up. This led to the rupture of the heating coil pipe and an explosion that injured Reyes. Thus, Employer operated the pressure washer under a condition of stress that was contrary to the manufacturer's recommendations. Accordingly, Employer violated section 3328, subdivision (a)(2).

3. Did Employer prove the Independent Employee Action Defense?

Employer asserted the Independent Employee Action Defense (IEAD) to Citation 2. The IEAD relieves an employer of responsibility for a violation. There are five elements to this affirmative defense, all of which must be proved by an employer in order for the defense to succeed: 1) the employee was experienced in the job being performed; 2) the employer has a well-devised safety program that includes training in matters of safety respective to their particular job assignments; 3) the employer effectively enforces the safety program; 4) the employer has a policy of sanctions which it enforces against those employees who violate its safety program; and 5) the employee caused a safety infraction which he knew was contra to the employer's safety requirements. (*Timberworks Construction, Inc.*, Cal/OSHA App. 1097751, Decision After Reconsideration (Mar. 12, 2019).)

Here, Employer did not introduce evidence that Reyes caused a safety infraction. In fact, McCutcheon testified that Reyes did nothing wrong in handling the incident. Reyes also testified that he did nothing wrong. Thus, Employer did not establish the fifth element of the IEAD. Since Employer must establish all five elements of the IEAD, Employer did not establish the affirmative defense.

4. Did ineffective training on the pressure washer have a relationship to occupational safety and health of employees?

Section 334, subdivision (b), defines a General violation as follows:

General Violation - is a violation which is specifically determined not to be of a serious nature, but has a relationship to occupational safety and health of employees.

The Division classified Citation 1 as a General violation. The violation is that Employer failed to effectively train Reyes to use a pressure washer, in particular, that Reyes did not recognize the color of the smoke as a hazard and respond appropriately. The violation led to the explosion of the pressure washer which caused an occupational injury to Reyes. Additionally, the operator's manual itself states that failure to follow its instructions "could cause malfunction of the machine and result in death, serious bodily injury and/or property damage." (Ex. 10, p. 11 (Bates label SB00116).) Thus, the lack of effective training on the pressure washer has a relationship to occupational safety and health of employees. Accordingly, the Division established that Citation 1 is a General violation.

5. Did operation of the pressure washer after the appearance of white smoke create a realistic possibility of serious physical harm?

Labor Code section 6432, subdivision (a), defines a Serious violation as follows:

There shall be a rebuttable presumption that a "serious violation" exists in a place of employment if the division demonstrates that there is a realistic possibility that death or serious physical harm could result from the actual hazard created by the violation. The actual hazard may consist of, among other things:

[. . .]

(2) The existence in the place of employment of one or more unsafe or unhealthful practices, means, methods, operations, or processes that have been adopted or are in use.

 $[\ldots]$

The Appeals Board has defined the term "realistic possibility" to mean a prediction that is within the bounds of human reason, not pure speculation. (*A. Teichert & Son, Inc. dba Teichert Aggregates*, Cal/OSHA App. 11-1895, Decision After Reconsideration (Aug. 21, 2015), citing *Janco Corporation*, Cal/OSHA App. 99-565, Decision After Reconsideration (Sep. 27, 2001).)

"Serious physical harm" is defined as any injury or illness occurring in the place of employment that results in:

- (1) Inpatient hospitalization for purposes other than medical observation.
- (2) The loss of any member of the body.
- (3) Any serious degree of permanent disfigurement.
- (4) Impairment sufficient to cause a part of the body or the function of an organ to become permanently and significantly reduced in efficiency on or off the job, including, but not limited to, depending on the severity, second-degree or worse burns, crushing injuries including internal injuries even though skin surface may be intact, respiratory illnesses, or broken bones.

(Lab. Code § 6432, subd. (e).)

The Division classified Citation 2 as a Serious violation. The violation was the operation of the pressure washer under a condition of stress that was contrary to the manufacturer's recommendations. The violation led to a "catastrophic explosion" of the pressure washer and the hospitalization of Reyes. (Ex. 11, p. 1-2.) The operator's manual itself states that failure to

follow its instructions "could cause malfunction of the machine and result in death, serious bodily injury and/or property damage." (Ex. 10, p. 11 (Bates label SB00116).) Since failure to follow the manufacturer's recommendations can result in death, the Division established the rebuttable presumption that Citation 2 is a Serious violation.

6. Did Employer rebut the presumption that Citation 2 is a Serious violation?

Labor Code section 6432, subdivision (c), provides that an employer may rebut the presumption that a serious violation exists by "demonstrating that the employer did not know and could not, with the exercise of reasonable diligence, have known of the presence of the violation." In order to satisfactorily rebut the presumption, the employer must demonstrate both:

- (1) The employer took all the steps a reasonable and responsible employer in like circumstances should be expected to take, before the violation occurred, to anticipate and prevent the violation, taking into consideration the severity of the harm that could be expected to occur and the likelihood of that harm occurring in connection with the work activity during which the violation occurred. Factors relevant to this determination include, but are not limited to, those listed in subdivision (b) [; and]
- (2) The employer took effective action to eliminate employee exposure to the hazard created by the violation as soon as the violation was discovered.

Labor Code section 6432, subdivision (b), provides that the following factors may be taken into account: (A) Training for employees and supervisors relevant to preventing employee exposure to the hazard or to similar hazards; (B) Procedures for discovering, controlling access to, and correcting the hazard or similar hazards; (C) Supervision of employees exposed or potentially exposed to the hazard; and (D) Procedures for communicating to employees about the employer's health and safety rules and programs.

Here, Employer did not effectively train Reyes regarding exposure to the hazard or similar hazards. Although Employer directed Reyes to read the operator's manual, Reyes's testimony indicates that he sometimes needed to deal with a problem in order to understand it. Additionally, Reyes's actions on the day of the accident indicate that reading the operator's manual was not sufficient to prepare him to respond quickly and appropriately to the white smoke. It appears that Reyes acted in accordance with Employer's procedures because Employer did not introduce evidence that Reyes caused a safety infraction.

In addition to considering the training that occurred prior to the violation, this defense considers the employer's response to the discovery of the hazard. The accident investigation report states that the explosion would not have occurred if Reyes had turned off the pressure washer when he observed the white smoke. (Ex. 11, p. 6.) The evidence does not indicate Employer took corrective action to eliminate the hazard upon its discovery.

For the reasons set forth above, Employer did not rebut the presumption that Citation 2 is a Serious violation.

7. Are the proposed penalties calculated in accordance with the penalty-setting regulations?

Penalties calculated in accordance with the penalty-setting regulations set forth in sections 333 through 336 are presumptively reasonable and will not be reduced absent evidence that the amount of the proposed civil penalty was miscalculated, the regulations were improperly applied, or that the totality of the circumstances warrant a reduction. (*RNR Construction, Inc., supra, Cal/OSHA App. 1092600, citing Stockton Tri Industries, Inc., Cal/OSHA App. 02-4946, Decision After Reconsideration (Mar. 27, 2006).*)

The Division submitted its Proposed Penalty Worksheet (Ex. 7) and Associate Safety Engineer Bahman Nahoray testified regarding the calculations used to establish the proposed penalties. Employer did not present evidence or argument that the penalties were not calculated in accordance with the penalty-setting regulations.

Accordingly, the proposed penalties for Citation 1 and Citation 2 are reasonable.

Conclusions

The evidence supports a finding that Employer violated section 3203, subdivision (a)(7), for failure to provide training and instruction. The violation was properly classified as General. The proposed penalty is reasonable.

The evidence supports a finding that Employer violated section 3328, subdivision (a)(2), for operating machinery under conditions of stress that are contrary to the manufacturer's recommendations. The violation was properly classified as Serious. The proposed penalty is reasonable.

Order

It is hereby ordered that Citation 1, Item 1, is affirmed and the penalty of \$560 is sustained.

It is hereby ordered that Citation 2, Item 1, is affirmed and the penalty of \$5,060 is sustained.

It is further ordered that the penalties indicated above and set forth in the attached Summary Table be assessed.

Dated: 07/18/2023 Mario L. Grimm

Administrative Law Judge

The attached decision was issued on the date indicated therein. If you are dissatisfied with the decision, you have thirty days from the date of service of the decision in which to petition for reconsideration. Your petition for reconsideration must fully comply with the requirements of Labor Code sections 6616, 6617, 6618 and 6619, and with California Code of Regulations, title 8, section 390.1. **For further information, call:** (916) 274-5751.